

2011 Property Tax Report

Putnam County

with Comparisons to Prior Years



Legislative Services Agency

September 2011

This report describes property tax changes in Putnam County between 2010 and 2011, with comparison to changes since 2007. In 2011, the changes from the big tax reform of 2008 were fully phased in with the elimination of the last of the state homestead credits. The 2009 recession affected assessments and local tax credits in many counties. Changes in local levies and assessments also were important in many counties.

Comparable Homestead Property Tax Changes in Putnam County

The average homeowner saw a 2.7% tax bill increase from 2010 to 2011.

Homestead taxes in 2011 were still 37.5% lower than they were in 2007, before the property tax reforms.

96.6% of homeowners saw lower tax bills in 2011 than in 2007.

52.5% of homeowners saw tax increases of between 1% and 9% from 2010 to 2011.

The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2011.

	2010 to 2011		2007 to 2011	
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total
Summary Change in Tax Bill				
Higher Tax Bill	5,918	71.2%	242	2.9%
No Change	118	1.4%	39	0.5%
Lower Tax Bill	2,275	27.4%	8,030	96.6%
Average Change in Tax Bill	2.7%		-37.5%	
Detailed Change in Tax Bill				
20% or More	199	2.4%	115	1.4%
10% to 19%	1,357	16.3%	37	0.4%
1% to 9%	4,362	52.5%	90	1.1%
0%	118	1.4%	39	0.5%
-1% to -9%	1,472	17.7%	266	3.2%
-10% to -19%	497	6.0%	512	6.2%
-20% to -29%	121	1.5%	1,285	15.5%
-30% to -39%	60	0.7%	2,049	24.7%
-40% to -49%	34	0.4%	1,631	19.6%
-50% to -59%	28	0.3%	1,181	14.2%
-60% to -69%	19	0.2%	573	6.9%
-70% to -79%	8	0.1%	222	2.7%
-80% to -89%	8	0.1%	110	1.3%
-90% to -99%	7	0.1%	101	1.2%
-100%	21	0.3%	100	1.2%
Total	8,311	100.0%	8,311	100.0%

Note: Percentages may not total due to rounding.

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LOSS OF STATE HOMESTEAD CREDIT AND LOWER LOCAL HOMESTEAD CREDITS RAISED HOMEOWNER TAX BILLS, DESPITE A FALL IN TAX RATES

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Homestead Property Taxes

Homestead property taxes increased 2.7% on average in Putnam County in 2011. This was less than the state average of 4.4%. Putnam County homestead taxes were still 37.5% lower in 2011 than they were in 2007, before the big tax reform. The tax increase in 2011 was partly due to the phaseout of the state homestead credit in 2011. The state homestead credit was 4.0% in Putnam County in 2010. In addition, Putnam County's local homestead credit declined in 2011, due to a drop in the local income tax revenues that fund it. Tax rates fell in Putnam County in 2011, which made the homestead tax increase smaller.

Tax Rates

Property tax rates declined in about two-thirds of Putnam County tax districts. The average tax rate declined by 3.5% because the increase in net assessed value exceeded a smaller increase in the levy. Levies in Putnam County increased by 3.3%. The biggest levy increases were in the North Putnam Community Schools debt service, pension debt, and capital projects funds and the Greencastle Community Schools debt service, capital projects, and bus replacement funds. The biggest levy reductions were in the South Putnam Community Schools debt service and bus replacement funds. Putnam County's total net assessed value increased 5.1% in 2011. (The certified net AV used to compute tax rates rose by 7.0%.) Total homestead net assessments were unchanged, while agricultural net assessments grew by 1.9%. Other residential assessments showed a small reduction of 0.7%, while business net assessments grew by 15.0%.

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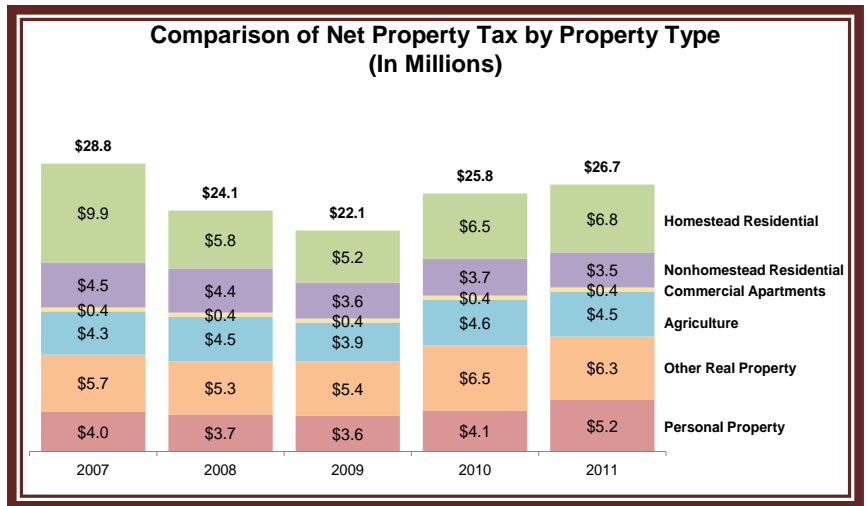
*INCREASES IN TAXES FOR BUSINESS;
DECREASES FOR OTHER NONHOMESTEAD*

PROPERTY TYPES

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Net Tax Bill Changes - All Property Types

Net tax bills for all taxpayers rose 2.9% in Putnam County in 2011, similar to the statewide increase of 2.8%. Other residential property, which includes smaller rentals and second homes, saw net tax bills decrease by 5.4%. Tax bills for commercial apartments fell 0.9%. Business tax bills - which include commercial, industrial and utility buildings, land and equipment - increased by 8.0%. The tax decreases resulted from lower tax rates; the business tax increase resulted from higher assessments. Agricultural tax bills fell 2.4%, despite the 3.2% increase in the base rate assessment of farm land, from \$1,250 to \$1,290 per acre for taxes in 2011.



Tax Cap Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

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*TAX CAP CREDITS
DECREASED IN 2011*

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Total tax cap credit losses in Putnam County were \$298,490, or 1.1% of the levy. This was less than the state average loss rate of 9.2% and less than median value of 3.8% among all counties. Tax rates are the main determinant of tax cap credits, and Putnam County's tax rates were less than the state median.

Most of the total tax cap credits were in the 2% nonhomestead/farmland category. Putnam County had no district tax rates above \$3 per \$100 assessed value, so no business property in the 3% tax cap category qualified for credits. The largest percentage losses were in the Greencastle School Corporation, the city of Greencastle, and Greencastle Township. The largest dollar losses were in the Greencastle School Corporation, the city of Greencastle, and the county unit.

Putnam County Tax Cap Credits	1%	2%	3%	Elderly	Total	% of Levy
2010 Tax Cap Credits	\$595	\$306,552	\$0	\$22,152	\$329,299	1.2%
2011 Tax Cap Credits	3,513	269,304	0	25,674	298,490	1.1%
Change	\$2,918	-\$37,248	\$0	\$3,521	-\$30,809	-0.2%

Tax cap credits decreased in Putnam County in 2011 by \$30,809, or 9.4%. The decrease in credits

represents a gain of 0.2% of the total tax levy. All of the decrease in tax cap credits was in the 2% tax cap category, the result of lower tax rates. The elimination of the state homestead credit and the drop in local income tax revenue that funds local homestead credits caused much of the 1% and elderly tax cap credit increase.

The Effect of Recession

The 2009 recession had a mixed effect on Putnam County assessments for pay-2011. Other residential property values and construction activity appear to have fallen in Putnam County in 2009, but increases in business assessments more than offset this decline. Lower incomes in 2009 resulted in lower local income tax distributions in 2011, which reduced the local homestead credit. Putnam County tax rates were generally too low for tax cap credits to be affected by assessment or homestead credit changes.

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*2009 RECESSION HAD MIXED EFFECTS
ON ASSESSMENTS IN 2011*

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Property Type	Gross AV 2010	Gross AV 2011	Gross AV Change	Net AV 2010	Net AV 2011	Net AV Change
Homesteads	\$1,278,153,854	\$1,277,998,580	0.0%	\$558,037,192	\$556,111,905	-0.3%
Other Residential	203,150,100	201,813,900	-0.7%	202,150,378	200,756,610	-0.7%
Ag Business/Land	316,787,200	323,088,200	2.0%	316,365,321	322,346,401	1.9%
Business Real/Personal	754,860,789	831,370,140	10.1%	530,013,094	609,333,045	15.0%
Total	\$2,552,951,943	\$2,634,270,820	3.2%	\$1,606,565,985	\$1,688,547,961	5.1%

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

Putnam County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	2011	% Change			
						2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
<i>County Total</i>	38,155,081	37,234,633	22,867,616	26,075,712	26,928,648	-2.4%	-38.6%	14.0%	3.3%
State Unit	36,503	41,489	0	0	0	13.7%	-100.0%		
Putnam County	6,254,221	4,918,202	3,955,276	4,371,917	4,250,593	-21.4%	-19.6%	10.5%	-2.8%
Clinton Township	12,678	12,790	13,286	14,251	14,591	0.9%	3.9%	7.3%	2.4%
Cloverdale Township	38,878	40,444	38,418	39,687	38,997	4.0%	-5.0%	3.3%	-1.7%
Floyd Township	21,193	22,248	23,350	24,330	23,882	5.0%	5.0%	4.2%	-1.8%
Franklin Township	13,656	14,208	13,944	15,505	15,484	4.0%	-1.9%	11.2%	-0.1%
Greencastle Township	103,524	103,744	95,303	97,729	102,395	0.2%	-8.1%	2.5%	4.8%
Jackson Township	11,542	8,129	7,078	7,053	6,965	-29.6%	-12.9%	-0.4%	-1.2%
Jefferson Township	33,759	34,390	32,594	34,206	34,876	1.9%	-5.2%	4.9%	2.0%
Madison Township	44,586	48,330	45,558	23,650	24,639	8.4%	-5.7%	-48.1%	4.2%
Marion Township	26,124	26,607	28,286	29,694	30,059	1.8%	6.3%	5.0%	1.2%
Monroe Township	9,521	9,974	9,651	9,888	10,613	4.8%	-3.2%	2.5%	7.3%
Russell Township	18,614	18,888	17,817	19,553	17,157	1.5%	-5.7%	9.7%	-12.3%
Warren Township	23,190	24,117	24,388	25,347	26,219	4.0%	1.1%	3.9%	3.4%
Washington Township	38,364	50,873	33,775	52,384	53,820	32.6%	-33.6%	55.1%	2.7%
Greencastle Civil City	2,787,713	2,767,767	2,666,072	2,782,045	2,671,000	-0.7%	-3.7%	4.3%	-4.0%
Bainbridge Civil Town	95,082	99,674	100,478	104,262	108,858	4.8%	0.8%	3.8%	4.4%
Cloverdale Civil Town	256,643	265,969	269,226	292,003	291,704	3.6%	1.2%	8.5%	-0.1%
Roachdale Civil Town	132,838	138,505	130,811	145,400	147,761	4.3%	-5.6%	11.2%	1.6%
Russellville Civil Town	29,783	29,778	30,445	31,893	33,208	0.0%	2.2%	4.8%	4.1%
Fillmore Civil Town	33,486	35,757	35,917	37,123	38,853	6.8%	0.4%	3.4%	4.7%
South Putnam Community School Corp	7,040,176	7,202,732	3,771,329	4,352,126	3,932,691	2.3%	-47.6%	15.4%	-9.6%
North Putnam Community School Corp	6,247,006	7,228,625	3,423,183	3,969,187	4,521,492	15.7%	-52.6%	16.0%	13.9%
Cloverdale Community School Corp	3,074,902	3,201,460	1,978,595	2,100,546	2,275,176	4.1%	-38.2%	6.2%	8.3%
Greencastle Community School Corp	10,777,747	9,910,770	5,132,081	6,703,103	7,449,462	-8.0%	-48.2%	30.6%	11.1%
Roachdale Public Library	37,605	39,919	38,027	42,620	43,978	6.2%	-4.7%	12.1%	3.2%
Putnam County Public Library	691,122	645,739	673,829	444,137	467,119	-6.6%	4.4%	-34.1%	5.2%
Roachdale Fire Protection	59,863	62,629	56,723	64,532	64,282	4.6%	-9.4%	13.8%	-0.4%
Walnut Creek Fire Protection	87,049	99,663	90,751	106,174	103,767	14.5%	-8.9%	17.0%	-2.3%
Floyd Twp Fire Dist	117,713	131,213	131,425	135,367	129,007	11.5%	0.2%	3.0%	-4.7%
West Central Indiana Solid Waste Mgt Dist	0	0	0	0	0				
Greencastle Redevelopment Comm	0	0	0	0	0				

Putnam County 2011 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
67001	Clinton Township	1.1588	--	--	17.7866%	--	--	--	0.9527
67002	Cloverdale Township	1.7935	--	--	17.7866%	--	--	--	1.4745
67003	Cloverdale Town-Cloverdale Township	2.1347	--	--	17.7866%	--	--	--	1.7550
67004	Floyd Township	1.1424	--	--	17.7866%	--	--	--	0.9392
67005	Franklin Township	1.1675	--	--	17.7866%	--	--	--	0.9598
67006	Roachdale Town	1.9372	--	--	17.7866%	--	--	--	1.5926
67007	Greencastle Township	1.6236	--	--	17.7866%	--	--	--	1.3348
67008	Greencastle City	2.3369	--	--	17.7866%	--	--	--	1.9212
67009	Jackson Township	1.1368	--	--	17.7866%	--	--	--	0.9346
67010	Jefferson Township	1.5614	--	--	17.7866%	--	--	--	1.2837
67011	Madison Township	1.6345	--	--	17.7866%	--	--	--	1.3438
67012	Marion Township	1.5484	--	--	17.7866%	--	--	--	1.2730
67013	Monroe Township	1.1439	--	--	17.7866%	--	--	--	0.9404
67014	Bainbridge Town	1.9749	--	--	17.7866%	--	--	--	1.6236
67015	Russell Township	1.1109	--	--	17.7866%	--	--	--	0.9133
67016	Russellville Town	1.6149	--	--	17.7866%	--	--	--	1.3277
67017	Warren Township	1.5398	--	--	17.7866%	--	--	--	1.2659
67018	Cloverdale Town-Warren Township	1.8920	--	--	17.7866%	--	--	--	1.5555
67019	Washington Township	1.5803	--	--	17.7866%	--	--	--	1.2992
67020	Fillmore Town	1.8272	--	--	17.7866%	--	--	--	1.5022

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Putnam County 2011 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	3,513	269,304	0	25,674		298,490	26,928,648	1.1%
<i>TIF Total</i>	0	0	0	0		0	1,304,176	0.0%
<i>County Total</i>	3,513	269,304	0	25,674		298,490	28,232,824	1.1%
Putnam County	392	30,277	0	3,620		34,288	4,250,593	0.8%
Clinton Township	0	0	0	11		11	14,591	0.1%
Cloverdale Township	0	126	0	20		146	38,997	0.4%
Floyd Township	0	0	0	6		6	23,882	0.0%
Franklin Township	0	0	0	13		13	15,484	0.1%
Greencastle Township	13	933	0	171		1,117	102,395	1.1%
Jackson Township	0	0	0	3		3	6,965	0.0%
Jefferson Township	0	0	0	7		7	34,876	0.0%
Madison Township	0	0	0	35		35	24,639	0.1%
Marion Township	0	0	0	16		16	30,059	0.1%
Monroe Township	0	0	0	6		6	10,613	0.1%
Russell Township	0	0	0	10		10	17,157	0.1%
Warren Township	0	0	0	4		4	26,219	0.0%
Washington Township	0	0	0	43		43	53,820	0.1%
Greencastle Civil City	1,121	78,163	0	3,823		83,107	2,671,000	3.1%
Bainbridge Civil Town	0	0	0	205		205	108,858	0.2%
Cloverdale Civil Town	0	4,188	0	184		4,372	291,704	1.5%
Roachdale Civil Town	0	0	0	275		275	147,761	0.2%
Russellville Civil Town	0	0	0	71		71	33,208	0.2%
Fillmore Civil Town	0	0	0	24		24	38,853	0.1%
South Putnam Community School Corp	0	0	0	1,614		1,614	3,932,691	0.0%
North Putnam Community School Corp	0	0	0	2,236		2,236	4,521,492	0.0%
Cloverdale Community School Corp	0	16,695	0	1,297		17,992	2,275,176	0.8%
Greencastle Community School Corp	1,942	135,423	0	11,410		148,774	7,449,462	2.0%
Roachdale Public Library	0	0	0	36		36	43,978	0.1%
Putnam County Public Library	45	3,498	0	399		3,942	467,119	0.8%
Roachdale Fire Protection	0	0	0	42		42	64,282	0.1%
Walnut Creek Fire Protection	0	0	0	64		64	103,767	0.1%
Floyd Twp Fire Dist	0	0	0	33		33	129,007	0.0%
West Central Indiana Solid Waste Mgt Dist	0	0	0	0		0	0	
Greencastle Redevelopment Comm	0	0	0	0		0	0	
TIF - Greencastle City	0	0	0	0		0	1,219,158	0.0%
TIF - Cloverdale	0	0	0	0		0	85,019	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.